



Lesson One – Every family member earns their positions; no free rides

Parents are parents forever. That's a given. As parents we want to give our children every opportunity to be successful.

Why not? We have nurtured them, guided them, and taught them in hopes that one day they will grow up and be successful and contribute to society. We also have protected them. We don't want any harm to come of them. No hurt feelings, no life setbacks.

In that endeavor, as an owner of a family business we have resources available to us to create opportunities for our children to become successful in ways that they may not be in other companies...and we are very good at utilizing all of our resources!

Family business owners have a tendency to create positions for their children or to appoint them to various positions within their company. After all, it is their company, right? Creating and appointing adult children to positions can cause some huge issues, not just for the morale of the company, but also for the success of the business, if not done correctly.

When a FOB considers hiring their adult children or anyone for that matter, there are a few guidelines that will improve the probability of success, not only for the company but for the person being hired.

Assess the needed positions. Take a look at what the business needs. Does the business need more technicians, someone with a creative mind, a person who is detail oriented or fantastic with numbers? Maybe the company needs bench strength in management. As you review the strategic plan, consider the current skills the company

has employed as well as what will be needed in the future.

Assess EVERY person. Each person brings with them a set of skills, knowledge, experiences and beliefs. Assess all of these areas for every potential employee, not just family members. By taking a look at all of these areas, the person can be placed in a position that they are 'wired for' rather than trying to 'fit' into a position that could be damaging to their success and to the business.

Set clear expectations. Every employee needs to understand what is expected, because when they do they are more likely to be successful and achieve those goals. Expectations include not only results and performance levels, but also communication, behaviors and attitudes.

Inspect what you expect. Just because you have communicated expectations doesn't mean that everyone has the same perspective and understanding. Provide feedback, both acknowledgement of success and coaching. Hold everyone accountable to goals and expectations. Not only will the business reap the benefits, the reputation of employees and family members will soar.

Think carefully about how family members are brought into the business. Everyone will be watching whether they are successful or if they are just collecting a paycheck. No business can afford to have the wrong person in the wrong position. The success of your business and your family could depend upon it. Everyone should earn their positions; no free rides! ◆

American Institute of Management, Inc., is a solutions-focused management consulting firm specializing in creating measurable success through effective, and creative human capital strategies. Deliverables are uniquely designed for your organization.

Andrea Fredrickson is the President of American Institute of Management, Inc. Andrea can be reached at (712)322-1112 or afred@americaninst.com . www.americaninst.com

Copyright © 2009, American Institute of Management, Inc